VZCZCXRO3467

OO RUEHBC RUEHDE RUEHIHL RUEHKUK
DE RUCNDT #0997/01 3132005

ZNY CCCCC ZZH
O 092005Z NOV 07

FM USMISSION USUN NEW YORK
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3056
INFO RUCNRAQ/IRAQ COLLECTIVE PRIORITY
RUEHGG/UN SECURITY COUNCIL COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 USUN NEW YORK 000997

SIPDIS

SIPDIS

E.O. 12958: DECL: 11/08/2017 TAGS: <u>PREL PGOV IZ UNSC</u>

SUBJECT: BUILDING THE UN'S LONG-TERM COMPOUND IN BAGHDAD

REF: USUN 972

Classified By: DEPUTY POLITICAL COUNSELOR MOLLY PHEE, FOR REASONS 1.4 B

- 11. (C) Summary: USUN and UK poloffs met November 8 with representatives from the UN,s Departments of Political Affairs, Safety and Security, and Management to discuss the development of the UN,s proposal to build an integrated compound in Baghdad. The compound is intended to serve as the headquarters, offices and residences of the UN and its specialized agencies. The compound,s estimated 190 million dollar price tag is likely to be met with resistance from UN $\,$ Member States who must agree to support the UN,s budget request (reftel). This cable discusses the evolution and planning of the integrated compound. The UN reports that its current proposal is the culmination of three years of effort involving consultations with U.S. civilian and military officials and the GOI. The UN further notes that the proposed site had effectively been "selected for us" by MNF-I and GOI. Given the need for appropriate security and life support requirements, the only less expensive alternative in the UN view is for the UN to be given a "green field" site in the IZ (requiring no demolition or clearance). In considering next steps, the UN urged the USG to consider the imperative of completing the compound before the IZ is transitioned to GOI control. End summary.
- 12. (C) Attending the meeting from the UN were Gerald Buckley, the lead management officer for the project (who has been in Iraq from 2004-2007 organizing and operating UN facilities, as well as planning for the integrated compound); Steven Siqueira, Special Assistant to Under-Secretary General Lynn Pascoe; Darko Mocibob, DPA's team leader on Iraq; Julian Davis, deputy team leader on Iraq; and DSS officers Bernhard Collins and Hussein Al-Alfi.

THE LOCATION

13. (C) Buckley said the UN has been engaged in finding a long-term compound for the United Nations Assistance Mission to Iraq (UNAMI) since 2004, when UNAMI began operations in Baghdad. (Note: Following the August 19, 2003 bombing of the UN headquarters in the Canal Hotel, the UN withdrew its staff from Iraq. It returned with a small presence beginning in August 2004. End note) Since 2004, UNAMI staff, including Buckley, have been meeting with officials from the Coalition Provisional Authority, the Iraqi government, MNF-I, and Although the UN had initially successive U.S. Ambassadors. considered sites outside the International Zone (IZ), none met the UN,s security requirements. After extensive discussions with MNF-I, CPA/Embassy Baghdad and the Iraqi government, the UN was given the site of the old U.S. Embassy to build its compound. Buckley said the UN had preferred other sites (such as the site of the Georgian headquarters), but the space needs of the USG and the Iraqi government were given precedence. He made clear that the site had effectively been "selected for us" by MNF-I and the GOI.

- 14. (C) Buckley added that the UN was also given a 50-meter strip of land that abuts the site of the old U.S. Embassy and that is currently a portion of the palace compound occupied by the USG. He said the UN had been given this strip of land by Iraqi authorities, although the UN feared that the USG would not hand over the land quickly enough to begin construction of the compound. Buckley said the strip currently accommodates senior USG officials. Siqueira said that during a late October 2007 meeting in Bahrain between U/SYG Pascoe and General Petraeus, USG officials acknowledged this issue and promised to vacate the 50-meter strip of land by autumn 2008. Siqueira said the UN will likely ask for written confirmation of this intention from the USG, since construction of the compound is contingent upon receiving this land.
- 15. (C) When asked if the UN will consider alternative sites, Buckley said although he is not aware of any the UN is open to alternatives within the IZ. He said, however, that the estimated price tag would likely be the same due to the level of protection and life support required. The only less expensive alternative, he speculated, is for the UN to be given a "green field" site (i.e., one where no demolition or clearance is required), although even this option would not be substantially less expensive. The security environment outside the IZ means locations there are not possible. Moreover, it would be nearly impossible to manage a construction site outside the IZ. Siqueira said that Iraqi National Security Adviser Rubaie had participated in the October meeting between Pascoe and Petraeus, and had suggested a site outside the IZ. That particular site, however, had already been considered several times and has been determined unsuitable for security reasons. In a later

USUN NEW Y 00000997 002 OF 002

conversation with poloff, Siqueira said U/SYG Pascoe had asked him to emphasize to USUN and UKUN the following: the UN has spent the last three years looking at potential sites for its long-term compound, and the result of this search is the site proposed by MNF-I and the GOI. Any further discussion of sites will only delay the date when the UN can move into a long-term compound, and such a move must take place before the IZ is transitioned to GOI control.

16. (C) The current estimated move-in date for the UN, if everything goes according to plan, is September 2009. Buckley said the UN must be in its long-term facility before the IZ is turned over to the Iraqi authorities. If there is a gap between handing over authority of the IZ to Iraqis and completion of the long-term compound, it is possible that the UN would have to withdraw, because DSS will not allow UN staff to occupy their current buildings without MNF-I control of the IZ.

THE PRICE TAG

 $\P7$. (C) The initial price tag for the UN compound on the site of the old U.S. Embassy was between 60 and 90 million dollars, said Buckley. This included refurbishing existing buildings and building additional space. However, in the year and a half since this initial estimate, the security situation worsened, with more accurate and larger indirect fire impacting on the IZ. Therefore U/SYG for Safety and Security Sir David Veness decided that the compound, which originally was to be given "Level 2" protection, would need "Level 3" protection. Veness has visited Iraq three times in the past two years to discuss the long-term compound and other issues. Practically, the move to "Level 3" protection means that the UN will have to demolish the existing structures on the site, and build new structures that more adequately protect against heavier fire. Buckley added that any structures in Baghdad strong enough to give "Level 3" protection had been destroyed during the war. In addition, the transition of the IZ from MNF-I to Iraqi control means that the new compound will have to be largely

self-sufficient, with its own air capability, water purification capability, etc. Adding on these requirements — which included the capability to support 300 personnel for two weeks without resuply and overhead protection capable of withstanding more lethal rockets — pushed the price tag to its current estimated level of 190 million dollars. (Buckley clarified that the actual estimate is 170 million dollars, with a 20 million contingency reserve, although he acknowledged the figure could move up or down during the bidding process.)

- 18. (C) Bernhard Collins, a former State Department Diplomatic Security employee currently with DSS, said that Veness and the rest of DSS would not consider lowering the UN,s safety requirements from Level 3 to Level 2. Notwithstanding the current relative calm within the IZ, the UN was cognizant of its vulnerability, especially after the transition of the IZ from MNF-I to Iraqi control. DSS would be cautious. "No one wants another Canal Hotel," said Buckley.
- 19. (C) Buckley and others acknowledged that the price tag, especially for the UN, was very high, but argued that given the difficult environment, the UN has no other options. Before arriving in Iraq in 2004, Buckley worked for the UN in Afghanistan for two years. He said that in comparison to Baghdad the UN compound in Kabul is relatively safe, and he had never heard of them receiving indirect fire. "The UN has never maintained a presence in as difficult a situation as Baghdad," Buckley concluded.
- 110. (C) Finally, the UN advised it had put out an invitation to submit expressions of interest with a closing deadline of November 30. All who submitted would be invited to undertake a site visit in February 2008. Bidders would then submit a final bid on a contract to both design and build the compound. The goal is to conclude a contract NLT March-April 12008. Following clearance of the site, construction would begin and end by September 2009. Khalilzad